

**CITY OF SANTA BARBARA**  
**Activity and Interest Report**  
**March 31, 2011**

**INVESTMENT ACTIVITY**

**PURCHASES OR DEPOSITS**

3/1 LAIF Deposit - City	\$ 1,000,000
3/3 LAIF Deposit - City	1,500,000
3/9 Federal Farm Credit Bank (FFCB)	2,000,000
3/17 LAIF Deposit - City	1,000,000
3/21 LAIF Deposit - City	1,500,000
3/29 LAIF Deposit - City	1,000,000
3/30 LAIF Deposit - City	2,000,000
<b>Total</b>	<b>\$ 10,000,000</b>

**SALES, MATURITIES, CALLS OR WITHDRAWALS**

3/8 LAIF Withdrawal - City	\$ (2,000,000)
3/10 LAIF Withdrawal - City	(3,000,000)
3/14 LAIF Withdrawal - City	(1,500,000)
3/18 Federal National Mortgage Association (FNMA) - Call	(2,000,000)
3/24 LAIF Withdrawal - City	(3,000,000)
3/30 Federal Home Loan Bank (FHLB) - Call	(2,000,000)
<b>Total</b>	<b>\$ (13,500,000)</b>

**ACTIVITY TOTAL**

**\$ (3,500,000)**

**INTEREST REVENUE**

**POOLED INVESTMENTS**

Interest Earned on Investments	\$ 262,212
Amortization	(8,786)
Interest on SBB&T Accounts	145
<b>Total</b>	<b>\$ 253,571</b>

**RDA INVESTMENTS**

Interest Earned on Investments (LAIF)	<b>\$ 6,752</b>
---------------------------------------	-----------------

**TOTAL INTEREST EARNED**

**\$ 260,323**

**CITY OF SANTA BARBARA**  
**Summary of Cash and Investments**  
**March 31, 2011**

**ENDING BALANCE AS OF FEBRUARY 28, 2011**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 42,000,000	0.450%	24.99%	1
Certificates of Deposit	2,000,000	1.750%	1.19%	262
Federal Agency Issues - Coupon	112,023,891	2.133%	66.66%	1,116
Corporate/Medium Term Notes	5,992,817	2.293%	3.57%	1,502
	162,016,708	1.698%	96.41%	831
SB Airport Promissory Note	6,044,793	7.000%	3.60%	6,696
Totals and Averages	\$ 168,061,501	1.889%	100.00%	1,041
SBB&T Money Market Account	4,610,506			
<b>Total Cash and Investments</b>	<b>\$ 172,672,007</b>			

**NET CASH AND INVESTMENT ACTIVITY FOR MARCH 2011**      **\$ (3,443,768)**

**ENDING BALANCE AS OF MARCH 31, 2011**

Description	Book Value	Yield to Maturity (365 days)	Percent of Portfolio	Average Days to Maturity
State of California LAIF	\$ 40,500,000	0.530%	24.61%	1 (1)
Certificates of Deposit	2,000,000	1.750%	1.22%	231
Federal Agency Issues - Coupon	110,012,980	2.138%	66.86%	1,111
Corporate/Medium Term Notes	5,992,942	2.293%	3.64%	1,471
	158,505,922	1.728%	96.33%	830
SB Airport Promissory Note	6,044,793	7.000%	3.67%	6,665
Totals and Averages	\$ 164,550,715	1.922%	100.00%	1,044
SBB&T Money Market Account	4,677,523			
<b>Total Cash and Investments</b>	<b>\$ 169,228,238</b>			

Note:

(1) The average life of the LAIF portfolio as of March 31, 2011 is 193 days.

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**March 31, 2011**

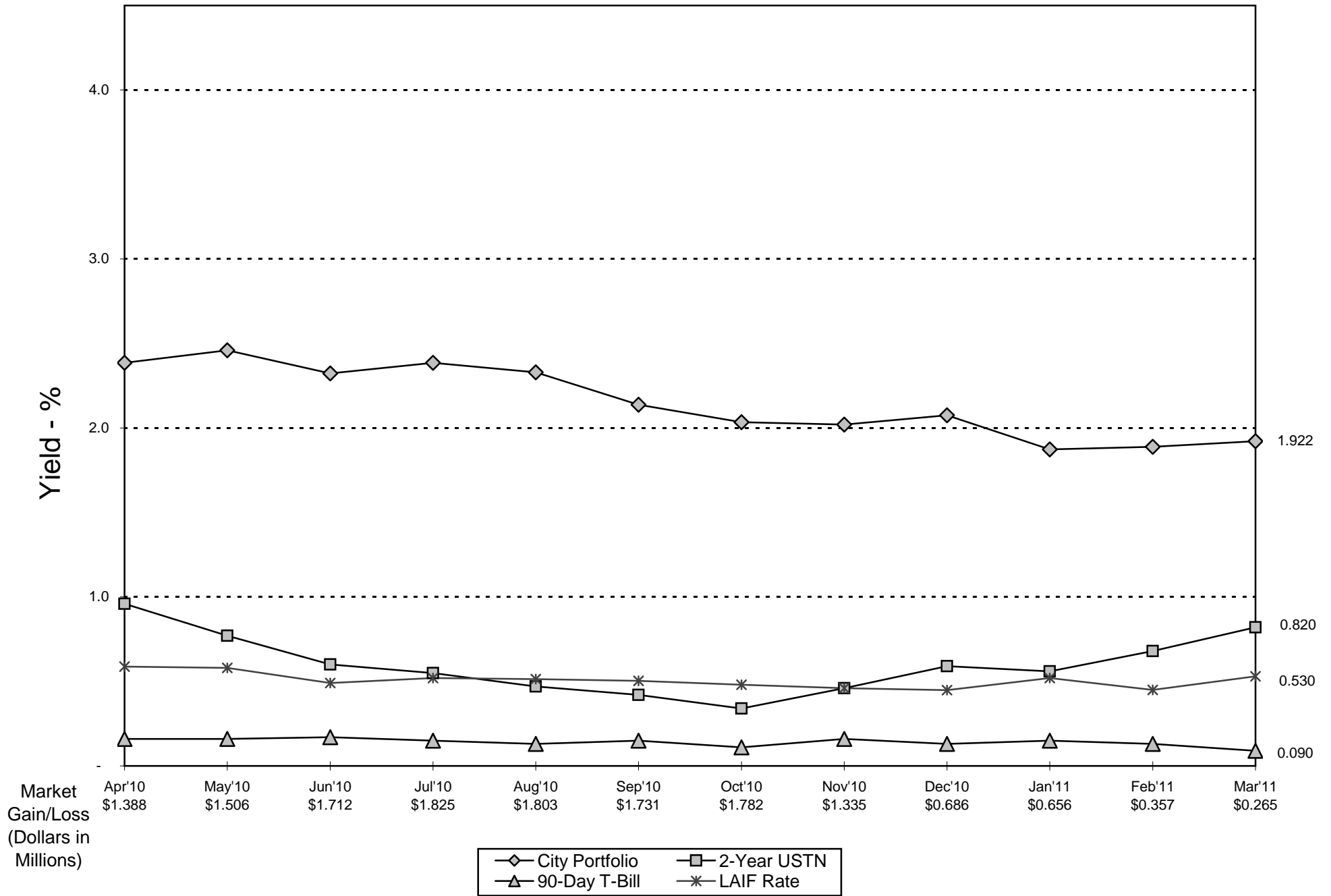
DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING MOODY'S	QUALITY RATING S & P	STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
<b>LOCAL AGENCY INVESTMENT FUNDS</b>											
LOCAL AGENCY INVESTMENT FUND	-	-	-	-	0.530	0.530	25,500,000.00	25,500,000.00	25,500,000.00	0.00	
LOCAL AGENCY INV FUND/RDA	-	-	-	-	0.530	0.530	15,000,000.00	15,000,000.00	15,000,000.00	0.00	
Subtotal, LAIF							40,500,000.00	40,500,000.00	40,500,000.00	0.00	
<b>CERTIFICATES OF DEPOSIT</b>											
MONTECITO BANK & TRUST	11/18/09	11/18/11	-	-	1.750	1.750	2,000,000.00	2,000,000.00	2,000,000.00	0.00	
Subtotal, Certificates of deposit							2,000,000.00	2,000,000.00	2,000,000.00	0.00	
<b>FEDERAL AGENCY ISSUES - COUPON</b>											
FEDERAL FARM CREDIT BANK	03/06/09	04/24/12	Aaa	AAA	2.250	2.120	2,000,000.00	2,002,668.78	2,038,990.00	36,321.22	
FEDERAL FARM CREDIT BANK	10/28/10	10/28/15	Aaa	AAA	1.540	1.540	2,000,000.00	2,000,000.00	1,939,400.00	(60,600.00)	Callable 10/28/11, then cont.
FEDERAL FARM CREDIT BANK	12/10/10	12/08/14	Aaa	AAA	1.500	1.662	2,000,000.00	1,991,375.70	1,980,090.00	(11,285.70)	Callable 12/08/11, then cont.
FEDERAL FARM CREDIT BANK	02/02/11	02/02/15	Aaa	AAA	2.000	2.000	1,500,000.00	1,500,000.00	1,501,402.50	1,402.50	Callable 02/02/12, then cont.
FEDERAL FARM CREDIT BANK	02/10/11	02/10/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,000,820.00	820.00	
FEDERAL FARM CREDIT BANK	03/09/11	03/09/16	Aaa	AAA	2.600	2.621	2,000,000.00	1,998,122.22	1,998,940.00	817.78	Callable 03/09/12, then cont.
FEDERAL FARM CREDIT BANK	12/15/10	12/15/15	Aaa	AAA	2.480	2.480	2,000,000.00	2,000,000.00	1,982,490.00	(17,510.00)	Callable 12/15/11, then cont.
FEDERAL FARM CREDIT BANK	03/04/09	01/17/12	Aaa	AAA	2.000	2.002	2,000,000.00	2,000,000.00	2,027,000.00	27,000.00	
FEDERAL FARM CREDIT BANK	03/05/09	03/04/13	Aaa	AAA	2.600	2.600	2,000,000.00	2,000,000.00	2,068,510.00	68,510.00	
FEDERAL FARM CREDIT BANK	05/08/09	04/08/13	Aaa	AAA	2.200	2.200	2,000,000.00	2,000,000.00	2,053,950.00	53,950.00	
FEDERAL FARM CREDIT BANK	06/19/09	06/18/12	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	2,039,690.00	39,690.00	
FEDERAL FARM CREDIT BANK	09/30/09	10/03/11	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,008,770.00	8,770.00	
FEDERAL FARM CREDIT BANK	04/30/10	04/09/15	Aaa	AAA	2.900	2.916	2,000,000.00	1,999,199.77	2,010,600.00	11,400.23	Callable 04/09/12, once
FEDERAL FARM CREDIT BANK	11/23/10	11/23/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,958,040.00	(41,960.00)	Callable 05/23/12, then cont.
FEDERAL FARM CREDIT BANK	02/16/11	02/16/16	Aaa	AAA	2.570	2.570	2,000,000.00	2,000,000.00	2,017,640.00	17,640.00	
FEDERAL HOME LOAN BANK	05/22/07	06/10/11	Aaa	AAA	5.250	5.005	2,000,000.00	2,000,837.65	2,019,120.00	18,282.35	
FEDERAL HOME LOAN BANK	03/04/09	06/08/12	Aaa	AAA	4.375	2.110	1,700,000.00	1,743,894.07	1,770,592.50	26,698.43	
FEDERAL HOME LOAN BANK	04/15/10	10/15/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,039,840.00	39,840.00	
FEDERAL HOME LOAN BANK	08/05/10	09/12/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	1,981,360.00	(18,640.00)	
FEDERAL HOME LOAN BANK	12/28/10	07/28/14	Aaa	AAA	0.650	1.816	2,000,000.00	2,000,000.00	2,003,190.00	3,190.00	SU 2.05% Callable 07/28/11, once
FEDERAL HOME LOAN BANK	06/30/09	06/30/14	Aaa	AAA	2.000	3.733	2,000,000.00	2,000,000.00	2,003,770.00	3,770.00	SU 5%, Callable 06/30/11, once
FEDERAL HOME LOAN BANK	09/17/09	12/13/13	Aaa	AAA	3.125	2.440	2,000,000.00	2,034,909.35	2,092,810.00	57,900.65	
FEDERAL HOME LOAN BANK	01/15/10	10/30/12	Aaa	AAA	1.700	1.700	2,000,000.00	2,000,000.00	2,032,890.00	32,890.00	
FEDERAL HOME LOAN BANK	04/05/10	11/29/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,037,840.00	37,840.00	
FEDERAL HOME LOAN BANK	06/29/10	10/29/12	Aaa	AAA	1.125	1.125	2,000,000.00	2,000,000.00	2,014,850.00	14,850.00	
FEDERAL HOME LOAN BANK	05/23/08	06/10/11	Aaa	AAA	3.125	3.520	2,000,000.00	1,998,569.68	2,010,640.00	12,070.32	
FEDERAL HOME LOAN BANK	05/28/10	05/28/15	Aaa	AAA	2.000	2.653	2,000,000.00	2,000,000.00	2,035,950.00	35,950.00	SU 3.35%, Callable 11/28/12, once
FEDERAL HOME LOAN BANK	06/30/10	06/30/14	Aaa	AAA	1.125	2.277	2,000,000.00	2,000,000.00	2,015,430.00	15,430.00	SU 3% Callable 12/30/11, once
FEDERAL HOME LOAN BANK	09/17/09	09/13/13	Aaa	AAA	4.375	2.272	2,000,000.00	2,097,978.16	2,155,620.00	57,641.84	
FEDERAL HOME LOAN BANK	02/22/10	12/13/13	Aaa	AAA	3.125	2.130	2,000,000.00	2,051,315.36	2,092,810.00	41,494.64	
FEDERAL HOME LOAN BANK	03/26/10	06/08/12	Aaa	AAA	1.375	1.325	2,000,000.00	2,001,164.55	2,021,900.00	20,735.45	

**CITY OF SANTA BARBARA**  
**Investment Portfolio**  
**March 31, 2011**

DESCRIPTION	PURCHASE DATE	MATURITY DATE	QUALITY RATING		STATED RATE	YIELD AT 365	FACE VALUE	BOOK VALUE	MARKET VALUE	BOOK GAIN/(LOSS)	COMMENTS
MOODY'S	S & P										
FEDERAL HOME LOAN BANK	07/14/10	07/14/15	Aaa	AAA	2.000	2.336	2,000,000.00	2,000,000.00	2,010,210.00	10,210.00	SU 2.0%-3.5% Call 07/14/11, then qtrly
FEDERAL HOME LOAN BANK	02/09/11	01/29/15	Aaa	AAA	1.750	1.750	2,000,000.00	2,000,000.00	1,991,300.00	(8,700.00)	
FEDERAL HOME LOAN MTG CORP	04/08/09	04/08/13	Aaa	AAA	2.500	2.526	2,000,000.00	1,999,980.56	2,000,880.00	899.44	Callable 04/08/11, once
FEDERAL HOME LOAN MTG CORP	05/19/09	11/19/12	Aaa	AAA	2.170	2.170	2,000,000.00	2,000,000.00	2,004,940.00	4,940.00	Callable 05/19/11, once
FEDERAL HOME LOAN MTG CORP	09/03/09	09/21/12	Aaa	AAA	2.125	1.699	2,000,000.00	2,012,163.93	2,044,820.00	32,656.07	
FEDERAL HOME LOAN MTG CORP	11/23/10	11/23/15	Aaa	AAA	1.750	1.845	2,000,000.00	1,994,200.00	1,939,900.00	(54,300.00)	Callable 11/23/11, once
FEDERAL HOME LOAN MTG CORP	01/06/11	02/25/14	Aaa	AAA	1.375	1.375	2,000,000.00	2,000,000.00	2,000,920.00	920.00	
FEDERAL HOME LOAN MTG CORP	05/13/09	05/13/13	Aaa	AAA	2.400	2.400	2,000,000.00	2,000,000.00	2,005,040.00	5,040.00	Callable 05/13/11, once
FEDERAL HOME LOAN MTG CORP	12/15/10	12/15/15	Aaa	AAA	2.100	2.100	2,000,000.00	2,000,000.00	1,977,360.00	(22,640.00)	Callable 06/15/11, then qtrly
FEDERAL HOME LOAN MTG CORP	02/22/11	08/22/14	Aaa	AAA	1.700	1.700	1,500,000.00	1,500,000.00	1,493,160.00	(6,840.00)	Callable 08/22/11, once
FEDERAL HOME LOAN MTG CORP	06/09/09	08/17/12	Aaa	AAA	1.000	2.420	2,000,000.00	1,962,549.41	2,008,780.00	46,230.59	
FEDERAL HOME LOAN MTG CORP	03/26/10	04/25/12	Aaa	AAA	1.125	1.197	1,000,000.00	999,241.23	1,007,640.00	8,398.77	
FEDERAL HOME LOAN MTG CORP	06/30/10	06/30/15	Aaa	AAA	2.000	2.914	2,000,000.00	2,000,000.00	2,010,080.00	10,080.00	SU 2.0%-4.5%, Call 06/30/11, annually
FEDERAL HOME LOAN MTG CORP	02/11/11	04/02/14	Aaa	AAA	4.500	1.615	2,000,000.00	2,168,219.27	2,174,100.00	5,880.73	
FEDERAL NATL MORTGAGE ASSN	07/07/10	07/07/15	Aaa	AAA	2.350	2.350	2,000,000.00	2,000,000.00	1,993,730.00	(6,270.00)	Callable 07/07/11, once
FEDERAL NATL MORTGAGE ASSN	02/17/11	02/17/16	Aaa	AAA	2.500	2.500	2,000,000.00	2,000,000.00	2,004,940.00	4,940.00	Callable 02/17/12, once
FEDERAL NATL MORTGAGE ASSN	05/24/10	06/24/13	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	2,006,400.00	6,400.00	Callable 06/24/11, once
FEDERAL NATL MORTGAGE ASSN	08/10/10	08/10/15	Aaa	AAA	2.000	2.055	2,000,000.00	1,996,468.33	1,967,370.00	(29,098.33)	Callable 08/10/12, once
FEDERAL NATL MORTGAGE ASSN	11/17/10	11/17/14	Aaa	AAA	1.300	1.300	2,000,000.00	2,000,000.00	1,977,560.00	(22,440.00)	Callable 05/17/11, once
FEDERAL NATL MORTGAGE ASSN	12/28/10	12/28/15	Aaa	AAA	2.000	2.011	2,000,000.00	1,999,258.33	1,972,320.00	(26,938.33)	Callable 12/28/11, once
FEDERAL NATL MORTGAGE ASSN	08/05/10	08/05/15	Aaa	AAA	2.125	2.125	2,000,000.00	2,000,000.00	1,973,310.00	(26,690.00)	Callable 08/05/11, once
FEDERAL NATL MORTGAGE ASSN	09/09/10	09/09/15	Aaa	AAA	1.850	1.871	2,000,000.00	1,999,122.22	1,952,000.00	(47,122.22)	Callable 09/09/11, once
FEDERAL NATL MORTGAGE ASSN	12/15/10	12/15/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,975,220.00	(24,780.00)	Callable 06/15/11, once
FEDERAL NATL MORTGAGE ASSN	09/21/10	09/21/15	Aaa	AAA	2.000	2.000	2,000,000.00	2,000,000.00	1,966,350.00	(33,650.00)	
FEDERAL NATL MORTGAGE ASSN	12/10/10	10/26/15	Aaa	AAA	1.625	2.067	2,000,000.00	1,961,741.57	1,948,210.00	(13,531.57)	
<b>Subtotal, Federal Agencies</b>							109,700,000.00	110,012,980.14	110,361,485.00	348,504.86	
<b>CORPORATE/MEDIUM TERM NOTES</b>											
BERKSHIRE HATHAWAY FIN	12/15/10	12/15/15	Aa2	AA+	2.450	2.530	2,000,000.00	1,992,941.67	1,987,360.00	(5,581.67)	
GENERAL ELECTRIC CAPITAL CORP	11/10/10	11/09/15	Aa2	AA+	2.250	2.250	2,000,000.00	2,000,000.00	1,921,340.00	(78,660.00)	
GENERAL ELECTRIC CAPITAL CORP	01/07/11	01/07/14	Aa2	AA+	2.100	2.100	2,000,000.00	2,000,000.00	2,001,180.00	1,180.00	
<b>Subtotal, Corporate Securities</b>							6,000,000.00	5,992,941.67	5,909,880.00	(83,061.67)	
<b>SB AIRPORT PROMISSORY NOTE (LT)</b>											
SANTA BARBARA AIRPORT	07/14/09	06/30/29	-	-	7.000	7.000	6,044,793.28	6,044,793.28	6,044,793.28	0.00	
<b>Subtotal, SBA Note</b>							6,044,793.28	6,044,793.28	6,044,793.28	0.00	
<b>TOTALS</b>							164,244,793.28	164,550,715.09	164,816,158.28	265,443.19	

Market values have been obtained from the City's safekeeping agent, Santa Barbara Bank and Trust (SBB&T). SBB&T uses Interactive Data Pricing Service, Bloomberg and DTC.

# INVESTMENT YIELDS



**CITY OF SANTA BARBARA**  
**Fiscal Agent Investments**  
**March 31, 2011**

	CASH & CASH EQUIVALENTS	Guaranteed Investment Contracts (GIC)	STOCKS		BONDS		US GOVT & AGENCIES		TOTALS	
	Book & Market	Book & Market	Book	Market	Book	Market	Book	Market	Book	Market
BOND FUNDS										
RESERVE FUNDS										
2004 RDA - Housing Bonds	-	-	-	-	-	-	-	-	-	-
2002 Municipal Improvement - Refunding COPs	6,551.76	547,530.00	-	-	-	-	-	-	554,081.76	554,081.76
2002 Water - Refunding COPs	8,301.21	1,088,268.76	-	-	-	-	-	-	1,096,569.97	1,096,569.97
1994 Water - Revenue Bonds	19,806.99	757,680.00	-	-	-	-	-	-	777,486.99	777,486.99
2002 Waterfront - Reference COPs	373,727.43	1,393,262.50	-	-	-	-	-	-	1,766,989.93	1,766,989.93
1992 Seismic - Safety Bonds	87,465.19	-	-	-	-	-	-	-	87,465.19	87,465.19
Subtotal, Reserve Funds	495,852.58	3,786,741.26	-	-	-	-	-	-	4,282,593.84	4,282,593.84
PROJECT FUNDS										
2001 RDA Bonds	2,367,982.28	-	-	-	-	-	-	-	2,367,982.28	2,367,982.28
2003 RDA Bonds	12,319,585.41	-	-	-	-	-	-	-	12,319,585.41	12,319,585.41
2004 Sewer Revenue Bonds	2,215,684.28	1,357,140.00	-	-	-	-	-	-	3,572,824.28	3,572,824.28
2009 Airport Bonds	14,566,664.07	-	-	-	-	-	3,100,000.00	3,197,030.00	17,666,664.07	17,763,694.07
Subtotal, Project Funds	31,469,916.04	1,357,140.00	-	-	-	-	3,100,000.00	3,197,030.00	35,927,056.04	36,024,086.04
Subtotal Bond Funds	31,965,768.62	5,143,881.26	-	-	-	-	3,100,000.00	3,197,030.00	40,209,649.88	40,306,679.88
POLICE/FIRE - SVC RETIREMENT FUND										
Police/Fire Funds	52,994.64	-	235,837.83	282,138.30	365,859.40	364,159.40	-	-	654,691.87	699,292.34
	52,994.64	-	235,837.83	282,138.30	365,859.40	364,159.40	-	-	654,691.87	699,292.34
TOTAL FISCAL AGENT INVESTMENTS	32,018,763.26	5,143,881.26	235,837.83	282,138.30	365,859.40	364,159.40	3,100,000.00	3,197,030.00	40,864,341.75	41,005,972.22

Notes:

- (1) Cash & cash equivalents include money market funds.
- (2) Market values have been obtained from the following trustees: US Bank, Bank of New York and Santa Barbara Bank & Trust